

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1869-01
Bill No.: HB 691
Subject: Insurance Dept.; Licenses - Professional; Physicians
Type: Original
Date: February 24, 2009

Bill Summary: Authorizes the State Board of Healing Arts to establish an impaired physician program for physicians who may be impaired due to illness, substance abuse, or mental condition.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Board of Registration for the Healing Arts	(\$4,162)	\$0*	\$0*
Total Estimated Net Effect on <u>Other</u> State Funds	(\$4,162)	\$0*	\$0*

* Well-Being Committee costs of \$369,665 and participation fees/increase in licensing fees net to \$0.

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services** assume the proposal will not fiscally impact their organization.

Officials from the **Office of Secretary of State (SOS)** state the fiscal impact for this proposal is less than \$2,500. The SOS realizes this is a small amount and does not expect that additional funding would be required to meet these costs. The SOS recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of that the office can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** assume the Physician Well-Being Committee will meet five (5) times the first year to promulgate rules and set up the Physician Well-Being program. It is assumed that the per diem and travel expenses of the committee will be approximately \$4,162 in FY 10 and \$1,665 in subsequent years.

Based on expenses of the Pharmacy Well-Being Committee, the board estimates that it will cost approximately \$3,200 per licensee enrolled in the program. Based on the number of participants of the Impaired Physician program currently operating within the Missouri State Medical Association, the board estimates 115 licensees will receive services from the program for a cost of \$368,000.

Furthermore, based on estimates from the Missouri State Medical Association and the Missouri Osteopathic Physicians Association, similar programs run throughout the United States and participants pay approximately \$125 per month to participate in the program. The cost per applicant in no way covers the expenses of the entire program; however, it will offset some of the expenses the board will incur. Therefore, revenue from participants is estimated to be \$172,500 (115 participants X \$125/month X 12 months).

Prior to initiating the bid process with the Office of Administration, the board may possibly initiate a Request for Information for consideration of the amount of appropriation needed to operate this program. In addition, the board anticipates a fees increase for its licensees may be necessary to support the costs associated with this program.

Oversight assumes, based on language in the proposal, that the Board of Registration for the Healing Arts would require participants to pay fees to sufficient to cover the costs of treatment and/or increase physician licensing fees, if necessary, to cover the costs of the Physician Well-Being Program.

<u>FISCAL IMPACT - State Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
BOARD OF REGISTRATION FOR THE HEALING ARTS FUND			
<u>Income - DIFP</u>			
Participant fees/increase in licensing fees	\$0	\$369,665	\$369,665
<u>Costs - DIFP</u>			
Board member per diem	(\$1,000)	(\$400)	(\$400)
Board member meetings	(\$3,162)	(\$1,265)	(\$1,265)
Well-Being Committee	<u>\$0</u>	<u>(\$368,000)</u>	<u>(\$368,000)</u>
Total <u>Costs</u> - DIFP	<u>(\$4,162)</u>	<u>(\$369,665)</u>	<u>(\$369,665)</u>
ESTIMATED NET EFFECT ON BOARD OF REGISTRATION FOR THE HEALING ARTS FUND	<u>(\$4,162)</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal would negatively impact small business physician offices if licensing fees are increased to cover the costs of the Physician Well-Being Committee.

FISCAL DESCRIPTION

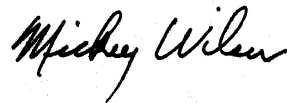
This proposal authorizes the State Board of Registration for the Healing Arts within the Department of Insurance, Financial Institutions and Professional Registration to establish an impaired physician program to promote the early identification, intervention, treatment, or rehabilitation of physicians who may be impaired due to illness, substance abuse, or as the result of any mental condition.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

HW-C:LR:OD

SOURCES OF INFORMATION

Department of Insurance, Financial Institutions and Professional Registration
Department of Health and Senior Services
Office of Secretary of State

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 24, 2009